

Message Text

CONFIDENTIAL

PAGE 01 BRUSSE 08956 282041Z
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AID-05 CEA-01 CIAE-00 COME-00
EB-08 FRB-03 INR-07 NSAE-00 SP-02 STR-04 TRSE-00
LAB-04 SIL-01 OMB-01 /062 W
-----121938 290421Z /13

R 282023Z JUL 77
FM AMEMBASSY BRUSSELS
TO SECSTATE WASHDC 1122
INFO ALL EC CAPITALS
USMISSION GENEVA

C O N F I D E N T I A L BRUSSELS 08956

USEEC

GENEVA ALSO FOR MTN

E.O. 11652: GDS
TAGS: ETRD, EEC
SUBJECT: REVIEW OF US POSITION ON AUTOMATIC IMPORT
LICENSING

REF: (A) STATE 140759, (B) BRUSSELS 6919

1. COMMISSION OFFICIAL IN CHARGE OF TRADE PROTECTION
(BESELER OF DG-I) GAVE MISSION OFFICER JULY 28 A COPY
OF A DOCUMENT PREPARED FOR COMMISSIONER HAFERKAMP WHICH
LISTS ALL RECENT COMMUNITY AUTOMATIC IMPORT LICENSE
PROCEDURES, STATISTICAL SURVEILLANCES AND SAFEGUARD
MEASURES. COPY OF THIS DOCUMENT, WHICH APPEARS
COMPLETE EXCEPT FOR AUTOMATIC IMPORT LICENSING BEING
ADOPTED FOR STEEL, BEING SENT TO EUR/RPE (CASEY) AND
MTN DEL GENEVA (CULBERT).

2. BESELER ARGUED THAT AUTOMATIC IMPORT LICENSING
SERVESTWO PURPOSES IN CASES OF IMPORT PROBLEMS WHICH
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BRUSSE 08956 282041Z

IT WOULD BE DIFFICULT TO SATISFY THROUGH OTHER
TECHNIQUES. FIRST OF ALL, AIL PROVIDES AN ACCURATE
FORECAST OF IMPORTS AND THEREBY CAN PREVENT MARKET
DISRUPTION. HE CITED AS AN EXAMPLE THE IRISH SISAL
INDUSTRY WHICH IS SMALL ENOUGH TO BE DISRUPTED FOR
A THREE-YEAR PERIOD SHOULD ONLY ONE LARGE SHIPMENT
OF SISAL ARRIVE UNEXPECTEDLY. HE ADDED THAT THE

IRISH HAD ORIGINALLY WANTED TO IMPOSE QUOTAS ON SISAL IMPORTS BUT HAD EVENTUALLY ACCEPTED VIEW THAT AIL WOULD MEET THEIR CONCERN WHILE BEING LESS TRADE RESTRICTIVE. SECONDLY, AIL PROVIDES AN EXCELLENT WAY TO MEET DOMESTIC INDUSTRY PRESSURE WITHOUT RESTRICTING ACTUAL TRADE FLOWS. COMMISSION SEES IT AS A STEAM VALVE AND CITES PHOSPHATE FERTILIZER AIL AS A GOOD EXAMPLE OF HOW INDUSTRY PRESSURE FOR QUOTAS WAS SATISFIED BY A LESSER MEASURE.

3. BESELER MADE CLEAR THAT COMMISSION COMPLETELY AGREES WITH US VIEW THAT AIL SHOULD BE RESTRICTED TO SAFEGUARD RELATED PURPOSES. IN POINT OF FACT, BASIC REGULATION GOVERNING USE OF AIL BY EC (REGULATION NUMBER 1439 OF JUNE 4, 1974) PROHIBITS IMPOSITION OF AIL IN CASES NOT RELATED TO SAFEGUARDS. ACCORDING TO BESELER, COMMUNITY HAS ONLY USED AIL IN CASES WHERE MARKET DISRUPTION WAS A CLEAR THREAT AND AIL HAS NOT BEEN USED FOR STATISTICAL PURPOSES. REGULATION 1439, PARAGRAPH 8, ALSO REQUIRES THAT LICENSES BE ISSUED WITH NO MORE THAN A 5-DAY DELAY. IMPORTERS WHO FELT THAT THEIR LICENSE REQUESTS WERE BEING UNDULY DELAYED WOULD HAVE RECOURSE TO THE COURTS WHICH, IN BESELER'S VIEW, WOULD REQUIRE THAT LICENSES BE ISSUED FREELY UNDER AIL.

4. BESELER POINTED OUT THAT IN TWO INSTANCES, AIL WAS CONFIDENTIAL

CONFIDENTIAL

PAGE 03 BRUSSE 08956 282041Z

USED IN A LIBERALIZING SENSE ALLOWING PRODUCTS FORMERLY CONTROLLED BY QUOTAS ADMINISTERED BY THE MEMBER STATES TO BE COVERED ONLY BY AIL. THESE TWO PRODUCTS APPEAR AS NUMBERS 9 AND 10 ON THE LIST MENTIONED ABOVE.
HINTON

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARKETS, ECONOMIC PROGRAMS, IMPORT LICENSES, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 28-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BRUSSE08956
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770271-1118
Format: TEL
From: BRUSSELS USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770711/aaaaaiqx.tel
Line Count: 99
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: acf2f662-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 140759, 77 BRUSSELS 6919
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1727026
Secure: OPEN
Status: NATIVE
Subject: REVIEW OF US POSITION ON AUTOMATIC IMPORT LICENSING
TAGS: ETRD, EEC
To: STATE USMTN
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/acf2f662-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009